

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2000-517

June 20, 2000

CENTRAL MAINE POWER COMPANY
Petition for Approval of Affiliated Interest
Transaction with Union Water Power Company
For Optic Fiber Installations at three substations

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order we approve an affiliated interest transaction between Central Maine Power Company (CMP) and its affiliate Union Water Power Company (Union), through Union's "On-Target" business division, whereby On-Target will complete fiber optic connections at three CMP substations.

II. BACKGROUND

On June 14, 2000, CMP filed a request for approval of an affiliated interest transaction with Union. The transaction involves completing fiber optic connections from the entrances of the Surowiec, Mosher and Crowley substations to the existing fiber optic splice points on the associated transmission lines.

CMP's petition reveals that CMP sought bids, through its contractor Spaulding Engineering and Construction Services, Inc., from three contractors: Seaward Corporation, S&L Construction, Inc., and On-Target Utility Services. On-Target was selected as it was the lowest bidder.

III. DECISION

No public utility may arrange for the furnishing of any service with an affiliated interest until the Commission finds that the arrangement is not adverse to the public interest. 35-A M.R.S.A. § 707(3). In previous arrangements between Union and CMP approved by this Commission, the Commission has considered whether the arrangement has been made on an arms-length basis. Entering into a contract with an affiliate based on that affiliate's submitting the lowest bid through a fair bidding process is one indicator that a transaction is arms-length and likely to be in the public interest. The material submitted with CMP's petition indicates that a fair bidding procedure took place and that On-Target was chosen based on its submitting the lowest bid for all three projects.

Accordingly, we

O R D E R

That the arrangement between Central Maine Power Company and Union Water Power Company described in CMP's petition filed June 14, 2000 is approved.

Dated at Augusta, Maine, this 20th day of June, 2000.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.